



FILED

06-01-06
09:02 AM

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of Pacific Gas and Electric Company
for Recovery of Franchise Fee Remittances
Associated with Revenues for Repayment of the
Rate Reduction Bonds.

Application 05-09-009
(Filed September 8, 2005)

**ADMINISTRATIVE LAW JUDGE'S RULING
SETTING ASIDE SUBMISSION AND REOPENING
PROCEEDING TO RECEIVE ADDITIONAL INFORMATION**

In its May 16, 2006, comments on the April 25, 2006, draft decision of the assigned administrative law judge (ALJ), the Division of Ratepayer Advocates (DRA) states that Pacific Gas and Electric Company Company's (PG&E) testimony and responses to data requests do not demonstrate a shortfall in revenue recovery of franchise fees. DRA argues that while PG&E proposed specific new revenue requirements for prospective rates to recover franchise fees associated with Fixed Transition Amounts (FTA) revenues, PG&E did not state what the historic franchise fee payments have been related to FTA revenues or whether allowances for franchise fees authorized in general rate cases were overall above or below PG&E's actually incurred franchise fees.

DRA contends that all of these issues should have been addressed in testimony with parties given an opportunity to cross-examine the witnesses about their responses. According to DRA, the fact that the draft decision came out before PG&E had even responded to the questions in the ALJ's second ruling

underscores the legal error in rushing to a conclusion without providing all parties with notice and an opportunity to be heard. (DRA comments, p. 3.)

Therefore, **IT IS RULED** that:

1. This proceeding is reopened for the limited purpose of receiving into the record the above information requested by the Division of Ratepayer Advocates (DRA).

2. Pacific Gas and Electric Company (PG&E) shall provide the information requested by DRA no later than June 22, 2006.

3. Upon receipt of the information, no later than July 6, 2006, DRA may request evidentiary hearings. If DRA requests evidentiary hearings, it must support its request by providing the following information:

- a. List each material issue of disputed fact on which it requests a hearing.
- b. Describe the nature of the evidence DRA intends to submit on each issue.

4. If DRA does not request an evidentiary hearing, no later than July 13, 2006, DRA shall file a brief on the issues raised by the information provided. PG&E shall file a reply no later than August 3, 2006.

Dated June 1, 2006, at San Francisco, California.

/s/ BERTRAM D. PATRICK

Bertram D. Patrick
Administrative Law Judge

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Upon confirmation of this document's acceptance for filing, I will cause a copy of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the copy of the filed document, which is current as of today's date, is attached.

Dated June 1, 2006, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

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